

## CECIMO PRESS RELEASE

### Difficult economic outlook as structural challenges persist

*San Sebastián, 17 June 2025 – During its Economic Committee meeting organised for its General Assembly held in San Sebastián, CECIMO, the European Association of Manufacturing Technologies, pointed out the challenges this sector faced in 2024, and highlighted the upcoming risks and opportunities raised by political and economic uncertainties that continue disrupting business operations.*

#### Economic situation and outlook

Impacted by changing market dynamics, 2024 has been marked by continuous challenges for CECIMO member companies. **Production levels** for European Machine Tool (MT) builders **decreased by around 7.5% in 2024** compared to 2023. This negative result is also mirrored in the composition of world production shares. For instance, in 2024, **European world production share decreased again** by nearly 1 percentage points compared to 2023, even though they still maintain a significance presence, accounting for approximately 32.8% of the global MT production, highlighting strong market standing.

**In 2024, consumption levels** of MT in European countries **declined by 17.2%** compared to 2023. Moreover, trade figures highlight declining trends, with **European MT builders export decreasing by 5.3% in 2024** compared to the previous year. **MT import levels shrank in 2024 compared to 2023 reducing by 16.3%**. Main export destinations for European MT builders are the USA and China. Meanwhile, by looking at European MT import flows, Japan and Taiwan continue to be the most significant suppliers.

These results highlight a complex economic landscape, CECIMO's companies faced global challenges, including rising geopolitical tensions, market uncertainties, and a further slowdown in the European and global economy with a consequent reduction in Machine Tool demand. The complex market environment exerted a slight downward pressure on order levels. The CECIMO8\* Total Order Index fell by 3% in Q1 2025 compared to Q4 2024 and registered a modest 1% year-over-year decline relative to Q1 2024. **However, on an annual basis, the average order level for 2024 was 5% below the 2023 level.**

CECIMO estimations for 2025 suggest a fragile and uncertain period, characterized by geopolitical instability, policy uncertainty, the intensification of global conflicts, and the persistence of structural economic challenges, exacerbated by the rise of trade barriers that threaten to further undermine global trade dynamics. For instance, **CECIMO production projections point to a further decrease of around 7.5% in 2025. Machine Tools consumption levels in European countries are expected to decline**, even though at a slower pace, **by 1.1% in 2025**, while global consumption of MT is expected to grow by 4.9% during the same period.

All the described factors point to a difficult period for Europe's machine tool sector. As other global regions deploy targeted investments and coherent industrial strategies, Europe risks losing global leadership in this strategic field. This decline jeopardizes value chains, reduce strategic autonomy, and increase systemic dependence on external suppliers for critical production capabilities.

"Machine tools and advanced manufacturing technologies are fundamental to Europe's strategic industries. They drive industrial productivity, support innovation, and are essential for maintaining global competitiveness and securing market share in key high-value sectors. If Europe's manufacturing technology base continues to erode, the spillover effects may undermine the competitiveness of downstream industries and increase dependence on external suppliers for essential production technologies. Without decisive action to reverse these trends, Europe risks ceding ground not only in manufacturing technology but in the broader industries that rely on it." commented **François Duval, CECIMO President**.

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**About CECIMO:**

CECIMO is the European Association of Manufacturing Technologies. With a primary focus on machine tools and additive technologies, we bring together 15 national associations of machine tool builders, which represent approximately 1500 industrial enterprises in Europe (EU + UK+ EFTA + Türkiye), over 80% of which are SMEs. CECIMO covers 97% of the total machine tool production in Europe and about 1/3 worldwide. It accounts for approximately 150,000 employees and a turnover of around 25.5 billion euros in 2024.

*\*CECIMO8 Total orders index is a combined domestic and foreign orders index of eight major CECIMO MT producers (Germany, Italy, Switzerland, Spain, Austria, France, the United Kingdom and the Czech Republic), weighted by 2021 production levels.*